GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3718
ANSWERED ON:16.05.2006
INDO ISRAEL TRADE AGREEMENT
Singh Shri Dushyant

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India and Israel have entered into an agreement to increase trade;

(b) if so, the details thereof, sector-wise; and

(c) the present status of trade between the two countries along with the items of trade during the last three years?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) & (b): As agreed between India and Israel, a Joint Study Group (JSG) had been set up to examine ways & means to promote bilateral economic relations and to consider an Economic Partnership Agreement between India and Israel. The JSG Report was released at Tel Aviv, Israel on 10th November, 2005, recommendations of which include an India-Israel Action Plan for Comprehensive Economic Cooperation between India and Israel viz. a WTO compatible Preferential Trade Agreement (PTA), Customs Cooperation, Mutual Recognition Agreements (MRAs) for items of both side's export interest, early utilization of R&D funds, establishment of investment dialogue, liberalization of trade in services, joint websites, and negotiations on bilateral shipping agreements etc.

(c): During the last three years, both export and imports registered a steady growth and during the year 2005-06(April-Dec.), exports to Israel increased by 18.28% and import from Israel showed a growth of 21.07%. The details of bilateral trade between the two countries during the last three years are as under:

(in US$ million):

	2002-03	2003-04	2004-05	2005-06(Apr.-Dec.)
Export from India	634.54	723.98	989.95	844.01 (713.55)#
Import by India	602.68	669.76	972.52	777.08(641.83)#
Trade Balance	31.86	54.22	17.43	66.93 (71.72)#

(Source: DGCI&S, Kolkata)

#Figures in brackets refers to the period April-December 2004-05

Top five items of exports from India to Israel during these years have been Gems & Jewellery, Drugs, pharmaceuticals & fine chemicals, Cotton yarn, fabrics, made-ups etc., Plastic & linoleum products, Inorganic/Organic/ Agro Chemicals etc. Top five items of imports from Israel during these years have been Pearls precious/semi-precious stones; Fertilizers manufactured; Electronic goods; Professional instruments etc. except electronic; and Organic Chemicals.